3. Transaction Multiple Method

4. Asset Valuation Method

The first three methods are generally used for valuation of a going concern, while the Asset Valuation method is more appropriate when a company is being liquidated.

Slow disinvestment process

235. SHRI PREM CHAND GUPTA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government have scaled down the number of transactions it hopes to complete during the current fiscal years;

(b) whether it is also a fact that even though Government expect to close the transaction of 13 companies by March 2003, some major PSUs like Maruti Udyog Ltd., National Fertilizers Ltd. and Hindustan Organic Chemicals Ltd. have still a long way to go; and

(c) if so, the actual position on the disinvestment plan for this financial year?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Disinvestment is dependent on a number of market related external factors, which can cause delay in completion of the disinvestment process. There are 45 cases in which disinvestment decision have been taken and disinvestment is in progress. The 'Offer for sale' of shares in Maruti Udyog Ltd. and disinvestment in National Fertilizers Ltd. are likely to be completed by June, 2003. Disinvestment in Hindustan Organic Chemicals Ltd. is also expected to be completed soon.

(c) During 2002-03, 15 cases of disinvestment were completed and the total realisation from disinvestment of shares was about Rs. 3,342 crore.

Interest of SCs/STs in disinvested PSUs

236. SHRI SURESH PACHOURI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether disinvested PSUs no longer feel obliged to fill up posts reserved for SCs and STs; and

(b) if so, in what way Government propose to protect their interest while privatising Public Sector Undertakings?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) The Ministry of Disinvestment incorporates the following in the recital of the Shareholders Agreement signed at the time of disinvestment with the Strategic Partner (SP) to safeguard the interests of the Scheduled Castes and Scheduled Tribes:—

"Subject to the substantive clauses in this regard, the Parties envision that all employees of the Company on the date hereof will continue in the employment of the Company.

The SP recognises that the Government in relation to its employment policies follows certain principles for the benefit of the members of the Scheduled Castes/Scheduled Tribes, physically handicapped persons and other socially disadvantaged categories of the society. The SP shall use its best efforts to cause the Company to provide adequate job opportunities for such persons. Further, in the event of any reduction in the strength of the employees of the Company, the SP shall use its best efforts to ensure that the physically handicapped persons, Scheduled Castes/Scheduled Tribes are retrenched at the end."

Disinvestment Policy

237. SHRI RAJKUMAR DHOOT: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have finalized disinvestment policy;

(b) if so, the details thereof; and

(c) if not, the reasons for the delay?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) The disinvestment policy has evolved over time. It is continuously reviewed and modified, as necessary, in the light of experience gained. Since 1999-2000, the Government has generally favoured sale to a strategic partner in view of the higher realisation on account of control premium paid by the strategic partner for acquiring a controlling stake. On 16th March, 1999, the Government classified industries into 'strategic and non-strategic'. The following industries have been identified as "Strategic" industries:—